REPRESENTATIVE DRIEHAUS CONTINUES TO PUSH FOR COMPETITIVE ENGINE PROGRAM

WASHINGTON, DC—Representative Steve Driehaus today reiterated his support for the Joint Strike Fighter Alternative Engine Program. In a letter to the President, Rep. Driehaus joined other lawmakers urging the President to sign legislation that provides funding for the Competitive Engine Program, which increases savings and provides our armed services with more reliable equipment. The letter to the President includes information that members of Congress have learned over the past year from the Final Report of the Quadrennial Defense Review Independent Panel, which supported the merits of competition. Secretary Robert Gates appointed the majority of members on the panel.

"We know from past experience that a competitive engine is a smart use of taxpayer money and a sound policy for our military. Competition will lower defense costs and will produce the quality products our armed forces need," said Rep. Driehaus. "This is a smart investment for our military, American taxpayers, and our local economy. General Electric will produce an engine for the Joint Strike Fighter at their Evendale plant and will support nearly 1,000 jobs in our region alone. Supporting this program is the right thing to do for our nation and community."

During Rep. Driehaus's time in office he has led the fight for a Competitive Engine Program. In May, Rep. Driehaus testified before the House Rules Committee in support of competitive procurement and the continued authorization of the Competitive Engine Program. In 2009, Rep. Driehaus worked to secure $465 million for the program.

Text of the lawmakers' letter follows.

The President The White House Washington, D.C. 20500

Dear Mr. President:

We respectfully request that you not veto the National Defense Authorization Act for Fiscal Year 2011, the Defense Appropriations Act for Fiscal Year 2011, or any other legislation that includes funding for the Joint Strike Fighter (JSF) competitive engine program. Recently, Congress has heard testimony and received additional information that supports the JSF competitive engine strategy. We believe this new information provides ample justification for the continuation of the JSF competitive engine program.

We applaud your efforts to curb defense spending. The House Defense Appropriations bill includes substantial savings and cuts nearly $7 billion from the defense budget request, while still continuing to fund the JSF competitive engine program. The effort to support the competitive engine works in conjunction with, not in opposition to your desire to cut costs and control military spending. Additionally, continued funding of the competitive engine would not result in a reduction of the number of JSFs to be purchased.

On July 29, 2010, the United States House of Representatives Committee on Armed Services received testimony from Stephen Hadley and William Perry on the Final Report of the Quadrennial Defense Review Independent Panel. The majority of the bipartisan panel was comprised of individuals whom Department of Defense Secretary Robert Gates appointed. The final report commented on several defense planning issues, including the persistent challenges of reforming our acquisition and procurement policies. One of the Panel's recommendations was that the "OSD [Office of the Secretary of Defense] should return to a acquisition strategy requiring dual source competition for production programs in circumstances where this will produce real competition." This recommendation is consistent with the Pentagon's recent "Mandate for Restoring Affordability and Productivity," supporting a continuous competitive

acquisition environment. The Panel's recommendations and the Pentagon's policies are supportive of a program like the Joint Strike Fighter competitive engine program, a program that Mr. Perry supported when he was Defense Secretary. The Panel noted that "history has shown that the only reliable source of price reduction through the life of a program is continuing competition between dual sources."

History has demonstrated that competing aircraft propulsion systems can significantly reduce acquisition costs -- 21 percent in the case of F-16 engines, according to the Government Accountability Office. Continuing competition can also improve other important variables such as engine technical innovation, reliability and durability. Continuous engine competition was an original element included in the Joint Strike Fighter's procurement plan and is not new to the Department of Defense or the private sector. The Weapons Systems Acquisition Reform Act of 2009 supports competition, and continued funding of the competitive engine is consistent with this public law.

The case in support of competition for the Joint Strike Fighter engine, the F136, could not be clearer. Already we have seen that the expected development cost of the primary Joint Strike Fighter propulsion system has increased $2.5 billion (52 percent over the original contract award of $4.8 billion, to $7.3 billion today). There is no expectation that these costs could be controlled without competitive market forces. Moreover, we have learned that the contractor for the primary engine has received millions of dollars in additional funding outside of their Research Testing Development and Evaluation budget through Science and Technology funds.

The primary engine continues to suffer from poor contract performance, contrasting Secretary Gates' comments that "Defense Department is already pleased with the engine it has, the engine it has works…" On April 7, 2009, Former Assistant Secretary of the Air Force for Acquisition Sue Payton wrote that for Pratt & Whitney's primary engine, the F135, cost growth is an ongoing concern. Two weeks later, the Joint Strike Fighter Joint Program Office held a meeting with senior Pratt & Whitney executives and indicated that the "government is seriously concerned with F135 engine cost growth." Statements such as these seem to contradict the assertion that the Department of Defense is "pleased" with the primary engine, and the engine is meeting contract performance requirements.

Logistically, the Department of Defense is capable of fielding two propulsion systems. It is important to note that it already does. The United States Air Force continues to utilize both propulsion systems for the F-16. Moreover, the contractors for the Joint Strike Fighter propulsion system have learned invaluable lessons that increase the efficiency of duel basing multiple propulsion systems. The primary and competitive engines are roughly 50 percent common with the other 50 percent being interchangeable. Aircraft Carrier Wings will also observe reductions in the space that engine spare parts and tools require as the Navy and Marine Corps transition to using the Joint Strike Fighter.

Continued funding for the Joint Strike Fighter's competitive engine program is not only consistent with the Department of Defense policy and legislation that you have signed into law, but we believe it is also the responsible thing to do for our nation's security and long-term financial stability. For all of these reasons, we respectfully request that you not veto any legislation that contains an authorization or funding for the Joint Strike Fighter's competitive engine program. Thank you for your time and consideration.

Sincerely,

Steve Driehaus John F. Tierney Michael A. Arcuri

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